IN THE CLAIMS

1. (Previously Amended) A distributed entertainment system comprising:

a central resource coupled to a wide area network (WAN), wherein the central resource includes a central content storage module that stores entertainment content, including a master list of entertainment content items available through the WAN;

at least one entertainment unit coupled to the WAN, the at least one entertainment unit comprising,

a user interface, comprising at least one graphical user interface (GUI);

a local memory device that stores two or more sets of entertainment content grouped according to a common characteristic;

a local list of the entertainment content stored on the local memory device;

a local cache capable of storing entertainment content requested from the master list;

a peripheral interface; and

a user input device; and

a plurality of peripheral devices coupled to the at least one entertainment unit via the peripheral interface, wherein a user, through the user input device and the user interface, views the master list and the local list of entertainment content items, and requests an item from the master list or the local list, wherein if the requested item is requested from the master list the requested item is stored on the WAN, the requested item is transferred to the local cache, and immediately performed locally in response to the request.

2. (Previously Amended) The distributed entertainment system of claim 1, wherein multiple entertainment units are coupled to each other via a local area network (LAN), and wherein one of the multiple entertainment units is coupled to the WAN.

3. (Previously Amended) The distributed entertainment system of claim 1, wherein multiple entertainment units are coupled to each other via a local area network (LAN), and wherein each of the multiple entertainment units is coupled to the WAN.

4. The distributed entertainment system of claim 1, wherein the at least one entertainment unit further comprises an infrared (IR) receiver/transmitter for transferring data and commands from the at least one entertainment unit and for receiving data and commands in the at least one entertainment unit.

5. The distributed entertainment system of claim 1, wherein the plurality of peripheral devices comprises:

at least one user identification (ID) device selected from a group comprising,

a thumbprint recognition device; and

a facial recognition device;

a video unit comprising hardware and software for capturing and processing images; and

at least one payment device selected from a group comprising,

a coin acceptor;

a bill acceptor; and

a credit card/smart card reader.

6. The distributed entertainment system of claim 1, wherein the at least one entertainment unit further comprises an audio unit comprising audio speakers and hardware and software for playing music.

7. (Previously Amended) The distributed entertainment system of claim 1, further comprising a central management resource coupled to the at least one entertainment unit via the WAN, the central management resource comprising:

a management module that performs administrative functions;

a monitoring module that monitors system components and collects and stores data related to system usage;

and

a content delivery module that controls delivery of entertainment content from the central content storage module to the at least one entertainment unit.

8. (Previously Amended) The distributed entertainment system of claim 7, wherein the central management resource further comprises:

master content management logic that manages entertainment content in the at least one entertainment unit;

a master activity log that stores data regarding activity of the at least one entertainment unit;

a master attract loop database that stores attract loops available to the at least one entertainment unit, wherein each of the attract loops comprise electronic data that may be displayed to show advertisements and activities that are available on the at least one entertainment unit; and

a user database that stores information relating to previously established user accounts.

9. The distributed entertainment system of claim 8, further comprising a content processing module comprising:

recorded media comprising music data recorded in an electronic format on a medium;

digital encoding hardware and software coupled to the recorded media that receives the music data, and digitally encodes the music to produce digitally encoded music data;

an intermediate storage device coupled to the digital encoding hardware that receives and stores the digitally encoded music data;

compression hardware and software coupled to the intermediate storage device, wherein the compression hardware and software receives the digitally encoded music data, and compresses the digitally encoded music data.

10. The distributed entertainment system of claim 9, wherein the music data includes music identifying information, music files, and album art.

11. (Previously Amended) A network entertainment unit comprising:

a local area network (LAN) interface through which the network entertainment unit may communicate with similar network entertainment units in a venue;

a wide area network (WAN) interface through which the network entertainment unit may communicate with a central management resource remote from the venue;

a user interface, comprising at least one graphical user interface (GUI);

a local memory device that stores entertainment content;

a local memory cache;

a peripheral interface; and

a user input device, wherein a user, through the user input device and the user interface, views a master list of entertainment content items stored on the WAN, and requests an item from the master list, wherein the requested item is transferred to the local memory cache and immediately performed locally in response to the request, wherein it is not required that the selected item is among the entertainment content stored on the local memory device.

12. The network entertainment unit of claim 11, further comprising an infrared (IR) receiver/transmitter for transferring data and commands from the entertainment unit and for receiving data and commands in the entertainment unit.

13. The network entertainment unit of claim 11, further comprising a plurality of peripheral devices coupled to the network entertainment unit, the plurality of peripheral devices comprising:

at least one user identification (ID) device selected from a group comprising,

a thumbprint recognition device; and

a facial recognition device;

a video unit comprising hardware and software for capturing and processing images; and

at least one payment device selected from a group comprising,

a coin acceptor;

a bill acceptor; and

a credit card/smart card reader.

14. The network entertainment unit of claim 11, further comprising an audio unit comprising audio speakers and hardware and software for playing music.

15. (Previously Amended) The network entertainment unit of claim 11, wherein the at least one GUI comprises:

a music selection GUI through which the user may choose music from the master list to be played in the venue; and

a game selection GUI through which the user may choose games from the master list to be played in the venue.

16. (Previously Amended) A method for electronic entertainment, comprising:

at an entertainment unit in a venue coupled to a local area network (LAN) and a wide area network (WAN), receiving a request for an item of entertainment content from a user, wherein the request includes a selection from a list of entertainment content, the list including a master list of entertainment content stored in at least one location on a network and a list of local content stored on a memory device on the entertainment unit, the local content grouped according to a common characteristic;

supplying the requested entertainment content to the user from the memory device on the entertainment unit, or if the requested entertainment content is not available on the memory device of the entertainment unit;

transmitting the request via the LAN to a different entertainment unit in the venue;

supplying the requested entertainment content to the user from a memory device on the different entertainment unit, or if the requested entertainment content is not available on the memory device of the different entertainment unit;

transmitting the request via the WAN to a central management resource remote from the venue;

supplying the requested entertainment content to the user from a memory device on the central management resource, wherein the entertainment content comprises music and electronic games;

receiving the requested entertainment content at the entertainment unit in the venue;

storing the requested entertainment content in a local cache, the local cache being distinct from the memory device of the entertainment unit; and

presenting the entertainment content to the user immediately upon successful delivery to the entertainment unit.

17. The method of claim 16, further comprising:

at the entertainment unit in the venue, receiving an input indicating an identity of the user;

accessing a user account with the identity of the user; and

charging the user account for supplied entertainment content.

18. The method of claim 17, further comprising:

receiving a request to purchase products available at the venue; and

charging the user account for any requested products that are supplied to the user.

19. The method of claim 16, further comprising:

at the entertainment unit, querying the user whether the user wishes to establish an identity;

receiving an input from the user indicating the identity of the user;

converting the input to a user identity;

receiving charge account information from the user; and

associating the user identity with the charge account information, wherein the input is selected from a group comprising.

an alphanumeric identification;

a thumbprint; and

a facial image.

20. The method of claim 16, further comprising receiving a request from the user to browse the World Wide Web (web) and in response, giving the user access to the web at the entertainment unit.

21. The method of claim 16, further comprising maintaining an activity log that stores a record of activity on the entertainment unit, wherein the activity comprises requests and purchases by the user.

22. The method of claim 16, further comprising:

displaying to the user a list of available music, including graphical images;

receiving an indication from the user that the user wishes to purchase selected music from the list; and

automatically accessing a web site that offers the selected music for sale.

23. The method of claim 22, further comprising downloading the selected music from the entertainment unit to a mobile user device using a wireless communication method.

24. The distributed entertainment system of claim 1, wherein stored on the WAN comprises, stored on the central content storage unit, and stored on the local memory device.

25. The distributed entertainment system of claim 7, wherein the central management resource further comprises:

a master music information database that stores a master list of music available to the at least one entertainment unit; and

a master game database that stores information about games available to the at least one entertainment unit, wherein the master list of music and the information about games are included in the master list of entertainment content items available through the WAN.

26-28. Cancelled

29. (Previously Amended) A content distribution system for electronic entertainment devices on a network, comprising:

a central resource coupled to the network, including a central storage unit, wherein the central storage unit stores entertainment content and a master list of entertainment content available on the network;

at least one electronic entertainment device coupled to the network, including a local storage unit, a local cache, and a user interface, wherein a user views a local list of entertainment content stored on the entertainment device with the user interface and the master list of entertainment available on the network with the user interface and selects entertainment content, and wherein in response to the selection,

the at least one electronic entertainment device determines whether the selected entertainment content is stored in the local storage unit;

if the selected entertainment content is stored in the local storage unit of the entertainment device, the selected entertainment content is performed on the electronic entertainment device from the local storage unit; and

if the selected entertainment content is not stored in the local storage unit, the selected entertainment content is requested over the network, transferred to the local cache on the entertainment device, and performed on the electronic entertainment device immediately after being received.

30. (Previously Amended) The content distribution system of claim 29, wherein the entertainment content stored in the local storage unit is grouped by a common characteristic.

31. Cancelled

32. The content distribution system of claim 29, wherein the network comprises at least one local area network (LAN) and at least one wide area network (WAN).

33. The content distribution system of claim 29, wherein the central resource further comprises master content management logic that manages distribution of entertainment content over the network, wherein distribution comprises:

initially storing all of the entertainment content on the master list on the central storage unit;

in response to a user request from an electronic entertainment unit for entertainment content, transferring the requested entertainment content to the electronic entertainment unit;

determining whether a local storage unit of the electronic entertainment unit is full; and

if the local storage unit of the electronic entertainment unit is full, notifying the central resource.

34. The content distribution system of claim 29, wherein the at least one electronic entertainment unit includes an activity log that stores information regarding entertainment content usage and fee payment.

35. (NEW) A distributed entertainment system comprising:

a central resource coupled to a wide area network (WAN), wherein the central resource includes a central content storage module that stores entertainment content, including a master list of entertainment content items available through the WAN, wherein the entertainment content comprises music, games, television content, art;

at least one entertainment unit coupled to the WAN, the at least one entertainment unit comprising,

a user interface, comprising at least one graphical user interface (GUI);

a local memory device that stores two or more sets of entertainment content grouped according to a common characteristic;

a local list of the entertainment content stored on the local memory device;

a local cache capable of storing entertainment content requested from the master list;

a peripheral interface; and

a user input device; and

a plurality of peripheral devices coupled to the at least one entertainment unit via the peripheral interface, wherein a user, through the user input device and the user interface, views the master list and the local list of entertainment content items, and requests an item from the master list or the local list, wherein if the requested item is requested from the master list the requested item is stored on the WAN, the requested item is transferred to the local cache, and immediately performed locally in response to the request.

36. (NEW) A distributed entertainment system comprising:

a central resource coupled to a wide area network (WAN), wherein the central resource includes a central content storage module that stores entertainment content, including a master list of entertainment content items available through the WAN;

at least one entertainment unit coupled to the WAN, the at least one entertainment unit comprising,

a user interface, comprising at least one graphical user interface (GUI), wherein the user interface allows a user to order food, beverages, or any other product or service provided by a venue, to conduct e-commerce transactions, browse the internet, view movies, view television content, access games selection GUI;

a local memory device that stores two or more sets of entertainment content grouped according to a common characteristic;

a local list of the entertainment content stored on the local memory device;

a local cache capable of storing entertainment content requested from the master list;

a peripheral interface; and

a user input device; and

a plurality of peripheral devices coupled to the at least one entertainment unit via the peripheral interface, wherein the user, through the user input device and the user interface, views the master list and the local list of entertainment content items, and requests an item from the master list or the local list, wherein if the requested item is requested from the master list the requested item is stored on the WAN, the requested item is transferred to the local cache, and immediately performed locally in response to the request.

37. (NEW) A distributed entertainment system comprising:

a central resource coupled to a wide area network (WAN), wherein the central resource includes a central content storage module that stores entertainment content, including a master list of entertainment content items available through the WAN;

at least one entertainment unit coupled to the WAN, the at least one entertainment unit comprising,

a user interface, comprising at least one graphical user interface (GUI), wherein the user interface allows a user to purchase music and download the purchased music to a portable storage and play device;

a local memory device that stores two or more sets of entertainment content grouped according to a common characteristic;

a local list of the entertainment content stored on the local memory device;

a local cache capable of storing entertainment content requested from the master list;

a peripheral interface; and

a user input device; and

a plurality of peripheral devices coupled to the at least one entertainment unit via the peripheral interface, wherein the user, through the user input device and the user interface, views the master list and the local list of entertainment content items, and requests an item from the master list or the local list, wherein if the requested item is requested from the master list the requested item is stored on

the WAN, the requested item is transferred to the local cache, and immediately performed locally in response to the request.

38. (NEW) A distributed entertainment system comprising:

a central resource coupled to a wide area network (WAN), wherein the central resource includes a central content storage module that stores entertainment content, including a master list of entertainment content items available through the WAN;

a plurality of entertainment units coupled to the WAN, each of the plurality of entertainment units comprising,

a user interface, comprising at least one graphical user interface (GUI);

a local memory device that stores two or more sets of entertainment content grouped according to a common characteristic;

a local list of the entertainment content stored on the local memory device;

a local cache capable of storing entertainment content requested from the master list;

a peripheral interface; and

a user input device; and

a plurality of peripheral devices coupled to the plurality of entertainment unit via the peripheral interface, wherein a user, through the user input device and the user interface, views the master list and the local list of entertainment content items, and requests an item from the master list or the local list, wherein if the requested item is requested from the master list the requested item is stored on the WAN, the requested item is transferred to the local cache, and immediately performed locally in response to the request, wherein the local list comprises entertainment content items from more than one entertainment units in the local venue.